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United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510-6250

MICHAEL L. ALEXANDER, STAFF DIRECTOR
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December 14, 2010

The Honorable Gordon S. Heddell
Inspector General for the Department of Defense
Office of the Inspector General
400 Army Navy Drive
Arlington, VA 22202-4704

Dear Mr. Heddell:

I am writing to request that you review allegations of contract fraud and whistleblower retaliation raised by Alex Abou-Hussein, an employee of the Navy's Space and Naval Warfare Systems Command (SPAWAR).

Mr. Abou-Hussein first contacted the Subcommittee on Contracting Oversight in March 2009. He alleged that the Navy organization SPAWAR had engaged in illegal activity by awarding a delivery order to SAIC with the understanding that a corresponding subcontract would be awarded to a former military officer who left SPAWAR to start his own business. SAIC would receive pass-through fees and the former military officer would receive a significant sum for a very limited set of tasks. This task order was on a contract valued at approximately \$400 million.

The Subcommittee also learned from Mr. Hussein that the Navy Inspector General was investigating the contract award. After engaging in some preliminary investigation, including speaking with the Navy General Counsel's office, the Subcommittee decided to let the Navy Inspector General's investigation run its course and take no additional independent action.

Since then, Mr. Abou-Hussein has made a number of additional allegations, including that the Navy General Counsel and Navy Inspector General have colluded to cover-up the contract fraud and have engaged in a number of retaliatory actions against him.

If true, both the underlying allegations of contract fraud and the new allegations of retaliation are very troubling. However, our office does not have the resources or expertise to assist Mr. Abou-Hussein further. As a result, I request that you evaluate Mr. Abou-Hussein's claims and, if warranted, undertake a thorough investigation.

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I appreciate your assistance. Please contact Alan Kahn with the Subcommittee staff at (202) 224-3230 with any questions. Please send any official correspondence relating to this request to kelsey_stroud@hsgac.senate.gov.

Sincerely,

A handwritten signature in blue ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill
Chairman
Subcommittee on Contracting Oversight